

By Javed

2G SPECTRUM ALLOCATION SCAM

Preface: 2G Spectrum Scam was a very big scam in India in which the 2G Spectrum were sold by the Government Of India at very low price which ultimately led to huge loss.

Company Profile: 2G Spectrum is a natural resource and hence owned by Government of India. There is no external company involved in the selling of spectrum. The spectrum is allotted by DoT (Department of Telecom).

Problem: Spectrum is the range of frequencies that some device/object does emit/handle/allows through/filter out. Spectrum is a natural resource. It includes all natural characteristics such as magnetic, gravitational, and electrical properties and forces. Spectrum is used as a communication carrier. We cannot use the same spectrum for multiple purpose at one particular area. If we see the spectrum demand, it's huge and continuously increasing. We are getting limited data speed on 3G/4G just because of scarcity of spectrum.

May 2007: A Raja takes over as Telecom Minister.

August 2007: Process of allotment of 2G spectrum was initiated by DoT.

September 25, 2007: Telecom Ministry issues press note fixing deadline for application as October 1, 2007.

October 1, 2007: DoT receives 575 applications from 46 firms.

November 2, 2007: PM Manmohan Singh writes to Raja to ensure fair licence allocation and proper revision of fee. Raja writes to PM allegedly rejecting many of his recommendations.

November 22, 2007: Finance Ministry writes to DoT raising concerns over the procedure adopted.

January 10, 2008: Swan Telecom, Unitech and Tata Teleservices sell off a part of their stakes at much higher rates to Etisalat, Telenor and DoCoMo respectively.

2009: Central Vigilance Commission (CVC) directs CBI to investigate the matter.

November 14-15, 2010: Raja resigns as Telecom Minister. Kapil Sibal given additional charge of Telecom Ministry.

February 10, 2011: SC asks CBI to bring under its scanner corporate houses which were beneficiaries of the 2G

spectrum. Raja remanded to CBI custody for 4 more days by a special court along with Balwa.

February 17-18, 2011: Raja sent to Tihar jail under judicial custody.

March 14, 2011: The Delhi High court sets up special court to deal with exclusively 2G cases.

The alleged scam was touted to be the biggest in India's history and the CAG (Comptroller and Auditor General of India) report estimating a national loss of Rs. 1.76 Lakh crores to the exchequer.

Significantly in 2012, the supreme court had cancelled all the licences allocated as it was convinced of procedural irregularities.

December 21, 2017: Special court acquits A Raja, Kanimozhi and all other accused in the case.

Special judge OP Saini told a packed courtroom: "I have absolutely no hesitation in holding that prosecution has miserably failed to prove any charge against any of the accused, made in its well-choreographed charge sheet".

Judge Saini scathingly ruled in a 2000 page order that "...Some people created a scam by artfully arranging a few selected facts

and exaggerating things beyond recognition to astronomical levels.”

In response, Finance Minister, Arun Jaitley referred to the 2012 supreme court ruling: “That this was a corrupt, dishonest policy was upheld by the supreme court in February 2012. Each and every case of spectrum allocation was quashed by the supreme court as unfair and arbitrary.”

This was a very bad judgement. On appeal, this verdict will be set aside: Subrahmaniam Swamy.

On Kapil Sibal's zero loss theory, Subrahmaniam said: “This is not final verdict. Congress happiness is short lived.”

Special judge OP Saini in his report said he could not understand what CBI wanted to prove: Subrahmaniam Swamy.

Former Attorney General is supporting the judgement. It was not appropriate to appoint Mukul Rohtagi as AG: Subrahmaniam Swamy. The CAG audit estimated the loss was 1.76 lakh crore. The CBI filed 80000 page chargesheet and said the loss was Rs. 30,985 crore only.

Remedies: The Government must have had to sell the spectrum as of market value. If it could so, the outcomes may not be worst. There was totally a negligence in the allotment of spectrum. The proper measures had not been taken to ensure the real values of spectrum. Also the lobbyist, Neera Wadia had set up improper deals among the Government and companies. Overall there was a total negligence from the DoT.

